



Holly Wolcott <holly.wolcott@lacity.org>

Proposed Venice BID & Residential Properties Zoned Commercial

21 messages

William Kuel <exnihilo65@verizon.net>

Wed, Jul 27, 2016 at 9:27 AM

To: Holly.Wolcott@lacity.org, councilmember.bonin@lacity.org, debbie.dynerrharris@lacity.org, miranda.paster@lacity.org

Cc: Tara Devine <tara@devine-strategies.com>

Hi, my wife and I mailed certified the letter and map below (also attached) on July 15 to everyone in the address line and have not heard any response as yet. Please contact us in some form to let us know if we have any options.

Thank you,
Bill & Laura Kuel

July 14, 2016

Holly Wolcott, City Clerk
200 N. Spring St., Room 360
Los Angeles, CA 90012

RE: Venice BID & 1307 Innes Place, Venice, CA 90291; APN: 4238011022

Dear Ms. Wolcott,

Upon the advice of Tara Devine of Devine Strategies, this letter is addressed to you with copies sent to The Honorable Mike Bonin, Debbie Dynere-Harris, and Miranda Paster.

We are writing because of the proposed Venice BID and the adverse impact it will have on our property. Based upon the state and city laws that Ms. Devine has cited us, the inclusion of our property, along with the adjacent property at 120 Westminster (and many others, we're sure) strikes us as arbitrary and inherently unfair.

While the concept of a Venice BID is sound in principal, and apparently effective in other parts of Los Angeles and the rest of the country, it's application would place undue hardship on our ability to continue offering residential rentals. We have owned, lived in and managed a small fourplex, under rent control, in Venice for the past 20 years and, at present, lease out two of the units—both at below market rent.

The BID incorporates all commercial, industrial, and government-zoned parcels, but exempts all residential-zoned parcels except R4 and R5 (of which the Venice BID area has none, according to Ms. Devine). It is our misfortune that our parcel is, for whatever reason, zoned C4. The apartment building on our lot was built by Abbot Kinney in 1910 and has always, and only, operated as four small one-bedroom apartments. The larger multi-unit building next door at 120 Westminster has over a dozen units and is of similar age and always been used for residential purposes, but is zoned commercial as well.

Directly across the back alleyway (Park Row) from both buildings, there are two other multi-unit apartment buildings at 1302 & 1304 Pacific Ave., each with 7 or more units (we believe), but they are zoned residential. If you look at the enclosed proposed Venice BID map, you can see how they are exempted by a carved-out, zig-zag U-shape in our immediate area. Meanwhile, all the other parcels between Speedway and Pacific (all the way to Main on the other side of the Westminster dog park, including all the rest of Innes Place going northwest) are zoned residential and are exempt. Many of these properties are multi-unit rentals operated by absentee owners and/or professional management companies.

The proposed BID assesses our parcel not only on street frontage, but also on the alleyway, for a total of just under \$2,200 per annum. This represents a full 42% increase in our property taxes from 2014-15. Given the age of our fourplex, we are already hard-pressed financially to maintain the property in sound condition (which we do and will continue to, regardless). Also, in the interests of attracting and maintaining good long-term tenants, we have consistently offered the rental units at below market rents and do not raise the rents every 12 months, as we're allowed to under rent control. We occupy the other 2 units as our home.

At the same time, other multi-units in the area, including at least one of the aforementioned exempt buildings on Pacific, are running illegal Air BnB-type short-term rentals (this is another issue in itself, as many of their guests often party loudly late into the night, vomiting and urinating off the balconies). At least two of the originators of the BID proposal are being sued by the city for running illegal hotels. Their properties are not exempt, but if they were converted back to apartment buildings they would face larger tax bills, making it harder to offer affordable units. In any event, they are large beachside properties that I'm sure would command top rents. If you are interested in maintaining any semblance of affordable rental housing in Venice, you may wish to consider the impact of the BID on the small mom & pop residential operations such as ours that are included in the BID. Our current and future tenants will most likely have to share some or all of the brunt of the BID in terms of their monthly rent.

Our real dilemma is that there is apparently no redress under current state and city law to address our particular situation. I quote Ms. Devine:

"Here's what I do know:

- Regardless of whose decision it is, the City does not allow LA BIDs to include R-zoned properties within BID boundaries unless they are R4 or R5. (NOTE: There is currently no R4 or R5 within the area of the Venice BID; Venice may not even have any R4 or R5.)
 - I have been told that R4 and R5 are eligible to be included and assessed because those zones allow mixed-use in LA (most commonly, this = residential over commercial.)
 - Other cities in California interpret the state law differently.
 - California BIDs are governed by the Property and Business Improvement District Act of 1994 (California Streets and Highways Code Section 36000 et seq.) (sic). The residential issue is (sic) in Section 36632(c), which states:
'Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.'
 - No further reasoning or guidance is given in the statute (so as with many laws, we are left open to interpretations.)
- P.S. Note that ZONING is the determinant and not use. This is per state law, and no city in CA can abridge this without being in violation of state law. I suspect that your issue will circle back to this point."

We could stomach the assessment much easier if all properties in the proposed BID, meaning ALL multi-unit residential-zoned parcels, were included, but as such, we feel singled-out to have to, in effect, subsidize all these other exempt residential properties with the substantially higher property taxes we will face.

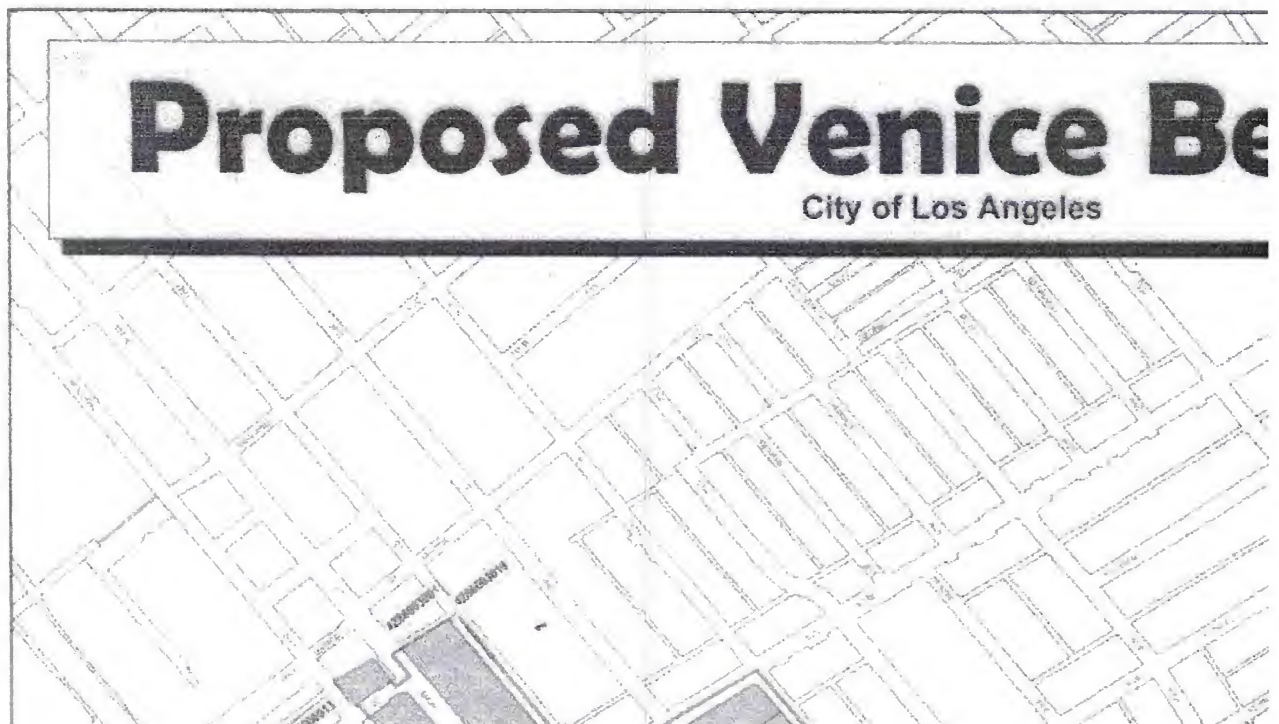
We would greatly appreciate any suggestions on options we may have, including seeking a zoning-change, if necessary. Other than the fact that our parcel is relatively close to the center of Venice near Windward Circle, where "downtown" Venice is or used to be, we don't know why our residential property was zoned C4 to begin with.

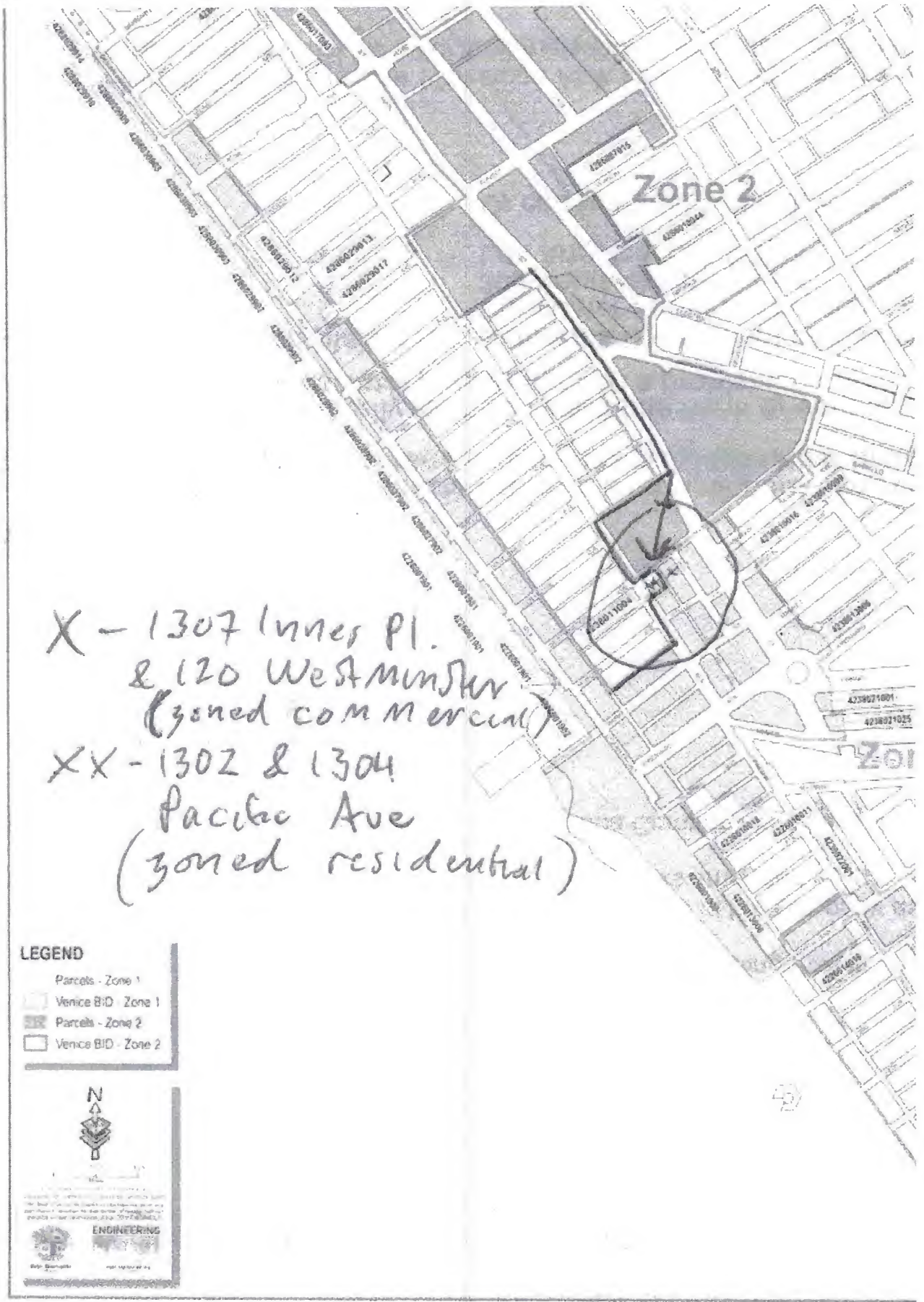
Thank you for your time and consideration.

Sincerely,

William & Laura Kuel

cc: The Honorable Mike Bonin; Debbie Dyner-Harris; Miranda Paster; Andrew Sanesi; Tara Devine





X - 1307 Inner Pl.
 & 120 Westminster
 (zoned commercial)

XX - 1302 & 1304
 Pacific Ave
 (zoned residential)

LEGEND

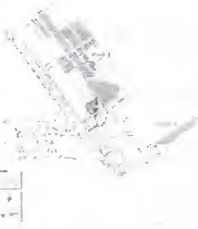
- Parcels - Zone 1
- Venice BID - Zone 1
- Parcels - Zone 2
- Venice BID - Zone 2

N


ENGINEERING

1921

Proposed Venice Beach BID



venice bid proposal map.jpg
1262K

 venice bid letter to city officials.doc
28K

Holly Wolcott <holly.wolcott@lacity.org>
To: Miranda Paster <miranda.paster@lacity.org>
Cc: Shannon Hoppes <shannon.hoppes@lacity.org>

Wed, Jul 27, 2016 at 9:29 AM

Miranda,

Please assist and let us know the answer.

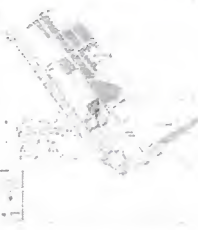
Thanks.

Holly


[Quoted text hidden]

2 attachments

Proposed Venice Beach BID



venice bid proposal map.jpg
1262K

 venice bid letter to city officials.doc
28K

Holly Wolcott <holly.wolcott@lacity.org>
To: Christy Numano-Hiura <christy.numano-hiura@lacity.org>
Cc: Shannon Hoppes <shannon.hoppes@lacity.org>

Wed, Jul 27, 2016 at 9:44 AM

Hi Christy,

Miranda is out and I need some assistance answering this. Can you help?

Thanks,

Holly

----- Forwarded message -----

From: "William Kuel" <exnihilo65@verizon.net>

Date: Jul 27, 2016 9:27 AM

Subject: Proposed Venice BID & Residential Properties Zoned Commercial

To: <Holly.Wolcott@lacity.org>, <councilmember.bonin@lacity.org>, <debbie.dynerharris@lacity.org>, <miranda.paster@lacity.org>


Cc: "Tara Devine" <tara@devine-strategies.com>

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2 attachments



venice bid proposal map.jpg
1262K

 venice bid letter to city officials.doc
28K

Shannon Hoppes <shannon.hoppes@lacity.org>
To: Holly Wolcott <holly.wolcott@lacity.org>

Wed, Jul 27, 2016 at 9:56 AM

Rita is the analyst....she'll be in shortly, so I can follow up with her, too.

Shannon Hoppes

Email: shannon.hoppes@lacity.org
Phone: [213-978-1023](tel:213-978-1023)

**Executive Officer
Office of the City Clerk**

City of Los Angeles
200 North Spring Street, Rm. 360
Los Angeles, CA 90012



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Holly Wolcott <holly.wolcott@lacity.org>
To: Shannon Hoppes <shannon.hoppes@lacity.org>

Wed, Jul 27, 2016 at 9:58 AM

Thanks.

[Quoted text hidden]

Christy Numano-Hiura <christy.numano-hiura@lacity.org>
To: Holly Wolcott <holly.wolcott@lacity.org>

Wed, Jul 27, 2016 at 11:20 AM

Hi Holly, I will get back to you as soon as I can. I have a meeting with Noreen tomorrow so will discuss this with her at that time.
Thanks,
Christy

On Wed, Jul 27, 2016 at 9:44 AM, Holly Wolcott <holly.wolcott@lacity.org> wrote:
[Quoted text hidden]

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Holly Wolcott <holly.wolcott@lacity.org>

Wed, Jul 27, 2016 at 11:26 AM

To: Christy Numano-Hiura <christy.numano-hiura@lacity.org>

Thanks.

[Quoted text hidden]

Shannon Hoppes <shannon.hoppes@lacity.org>
To: Holly Wolcott <holly.wolcott@lacity.org>

Wed, Jul 27, 2016 at 12:38 PM

Still haven't received anything....but this is the status. Will follow up with Rita soon....after lunchtime.

Shannon Hoppes

Email: shannon.hoppes@lacity.org

Phone: [213-978-1023](tel:213-978-1023)

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Office of the City Clerk**

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200 North Spring Street, Rm. 360
Los Angeles, CA 90012



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From: **Rick Scott** <rick.scott@lacity.org>

Date: Wed, Jul 27, 2016 at 11:30 AM

Subject: Re: Proposed Venice BID & Residential Properties Zoned Commercial

To: Shannon Hoppes <shannon.hoppes@lacity.org>

Shannon,

Miranda gave Rita some revisions to the draft response letter they created. Rita is incorporating those revisions and will be sending the draft to you shortly.

On Wed, Jul 27, 2016 at 9:46 AM, Rick Scott <rick.scott@lacity.org> wrote:

I have not seen it and Miranda has not discussed it with me if she has seen it. The analyst for that BID project, Rita Moreno, will be in at 10:30. I'll ask her about it and get back to you.

On Wed, Jul 27, 2016 at 9:30 AM, Shannon Hoppes <shannon.hoppes@lacity.org> wrote:

Hi, Rick. Can you assist with this? Thanks!

Shannon Hoppes

Email: shannon.hoppes@lacity.org

Phone: [213-978-1023](tel:213-978-1023)

**Executive Officer
Office of the City Clerk**

City of Los Angeles
200 North Spring Street, Rm. 360
Los Angeles, CA 90012



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Rick Scott
Neighborhood and Business Improvement District Division
Office of the City Clerk
213.978.1121 direct
213.978.1099 main
Fax 213.978.1130
Rick.Scott@lacity.org

--
Rick Scott
Neighborhood and Business Improvement District Division
Office of the City Clerk
213.978.1121 direct
213.978.1099 main
Fax 213.978.1130
Rick.Scott@lacity.org

Rita Moreno <rita.moreno@lacity.org> Wed, Jul 27, 2016 at 2:23 PM

To: exnihilo65@verizon.net

Cc: Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DynerHarris <debbie.dynerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Dear Mr. Kuel,

We received the letter and will send you a written response today via email and USPS. Please excuse the delay.

Thank you.

Rita

[Quoted text hidden]

--
Rita Moreno
City of Los Angeles
Office of the City Clerk
Neighborhood and Business Improvement District Division
200 N. Spring Street, 2nd Floor #237
Los Angeles, CA 90012
Office (213) 978-1122
Fax (213) 978-1130

Debbie DynerHarris <debbie.dynerharris@lacity.org> Wed, Jul 27, 2016 at 3:12 PM

To: Rita Moreno <rita.moreno@lacity.org>

Cc: exnihilo65@verizon.net, Shannon Hoppes <shannon.hoppes@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Hello Mr. Kuel. Yes, I did receive the letter a few days ago. We very much appreciate the letter and the information you point out. The Councilmember is still reviewing the issue, and we look forward to the information to be provided by the City Clerk's office to further assist his review.

Thank you, and please let me know if you have further questions.

Debbie

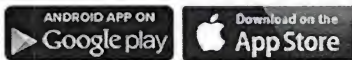
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Debbie Dyner Harris
District Director
Councilmember Mike Bonin
City of Los Angeles
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Rita Moreno <rita.moreno@lacity.org>

Wed, Jul 27, 2016 at 6:13 PM

To: exnihilo65@verizon.net

Cc: Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DynerHarris <debbie.dynerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Dear Mr. Kuel,

Please find attached the response letter from the Office of the City Clerk. The original will be sent via USPS.


Thank you.

Rita

On Wed, Jul 27, 2016 at 2:23 PM, Rita Moreno <rita.moreno@lacity.org> wrote:

[Quoted text hidden]

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 Letter to William & Laura Kuel.pdf
726K

Christy Numano-Hiura <christy.numano-hiura@lacity.org>

Thu, Jul 28, 2016 at 12:38 PM

To: Holly Wolcott <holly.wolcott@lacity.org>

Hi Holly, in responding to your / the property owner's question of what suggestions or options they may have regarding the proposed assessment of their apartment complex, I am going to assume that the engineer's report properly analyzes the proportionate special benefit for each parcel in the district.

Short of retaining their own attorney, the property owners can utilize the ballot process (and vote 'no') and submit their protest at the hearing pursuant to PBID law.

Hopefully this helps.

Christy

[Quoted text hidden]

Holly Wolcott <holly.wolcott@lacity.org>

Thu, Jul 28, 2016 at 3:29 PM

To: Christy Numano-Hiura <christy.numano-hiura@lacity.org>

Thanks.

[Quoted text hidden]

William Kuel <exnihilo65@verizon.net>

Fri, Aug 5, 2016 at 9:15 AM

To: Rita Moreno <rita.moreno@lacity.org>

Cc: Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DynerHarris <debbie.dynerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Thank you for your response.

One question, at this point:

The letter from Shannon Hoppes dated July 27, 2016 says our letter will be forwarded "to the engineer who determined that the property will receive special benefit from the Venice Beach Business Improvement District."

If the engineer determines that our residential property does not, in fact, receive "special benefit" from the BID, does he/she have the authority to remove our parcel from the assessed list or recommend same?

For that matter, what is the criteria to determine "special benefit?"

Thank you,
Bill & Laura Kuel
[Quoted text hidden]

Rita Moreno <rita.moreno@lacity.org> Fri, Aug 5, 2016 at 2:16 PM
To: William Kuel <exnihilo65@verizon.net>
Cc: Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DyerHarris <debbie.dyerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Dear Mr. Kuel,

Pursuant to Proposition 218, assessments for special benefits must be supported by a detailed Engineer's report. It defines "special benefit" as "a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large." The special benefits for parcels in this proposed district are listed in the Management District Plan and Engineer's Report (ER). We are forwarding the ER to the Engineer to ensure that he is supporting the special benefits listed for your parcel.

The Engineer and the consultant, Devine Strategies, can assist you with more specific questions. Ms Tara Devine is copied on this message for follow-up.

Thank you.

Rita

[Quoted text hidden]

William Kuel <exnihilo65@verizon.net> Mon, Aug 8, 2016 at 8:56 AM
To: Rita Moreno <rita.moreno@lacity.org>
Cc: Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DyerHarris <debbie.dyerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Tara Devine <tara@devine-strategies.com>, Holly Wolcott <holly.wolcott@lacity.org>

Thank you Ms. Moreno.

Can you (or anyone CC'd in this email) please provide me the phone number and/or email address of the engineer (whom I presume to be Edward V. Henning)?

Bill Kuel

— Original Message —

From: Rita Moreno
To: William Kuel
Cc: Shannon Hoppes ; Debbie DyerHarris ; Miranda Paster ; Tara Devine ; Holly Wolcott
[Quoted text hidden]

Holly Wolcott <holly.wolcott@lacity.org> Mon, Aug 8, 2016 at 9:48 AM
To: Miranda Paster <miranda.paster@lacity.org>

----- Forwarded message -----

From: "William Kuel" <exnihilo65@verizon.net>
Date: Aug 8, 2016 8:56 AM
Subject: Re: Proposed Venice BID & Residential Properties Zoned Commercial
[Quoted text hidden]

Tara Devine <tara@devine-strategies.com> Tue, Aug 9, 2016 at 4:12 PM
To: William Kuel <exnihilo65@verizon.net>
Cc: Rita Moreno <rita.moreno@lacity.org>, Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DyerHarris <debbie.dyerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Holly Wolcott <holly.wolcott@lacity.org>

Dear Bill:

It has been some time since we last spoke, but I wanted to respond to your most recent questions. Please keep in mind, as we discussed during the petition stage, it is zoning and not use that guides assessment district formation. In many communities across California, zoning and use are not consistent. Conditional uses, legal non-conforming uses, variances, etc. are also all part of the landscape that causes differences between zoning and use.

1) No, neither the Engineer nor I can remove your parcel from the proposed BID.

2) Here are some excerpts from the Engineer's Report that address the special benefits conferred on your multi-tenant residential use property (zoned commercial):

- "Special benefit" as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large.

- The property uses within the boundaries of the BID that will receive special benefits from BID funded programs and services are currently a mix of commercial, industrial, government and residential. No parcels within the District are zoned solely residential. Services, programs and improvements provided and funded by the BID are primarily designed to provide special benefits as described below to identified assessed parcels and the array of land uses within the boundaries of the District.

- For residential parcels and residential portions of mixed use parcels within the BID (all located on commercial or industrial zoned parcels), it is the opinion of this Assessment Engineer that each of these parcels and uses specially benefit similarly to commercial/industrial parcels, from the clean and safe and district identity and special project programs designed to improve the cleanliness, security, marketability and livability of these parcels and residential units on them. Since the majority of residential units within the Venice Beach BID are used as business enterprises, live/work units, rental units, or vacation rental units whether single family units, apartments or residential condominiums, it is the opinion of this Assessment Engineer that each residential unit shall be treated as an existing or potential for-profit business enterprise, live/work unit, rental unit, or vacation rental unit. As such, the proportionate special benefits conferred on all residential parcels and units shall be considered similar to those conferred on commercial/industrial parcels within the Venice Beach BID. For these parcels, BID programs, services and improvements are designed to increase residential rental occupancies, rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for tenants, visitors and landlords of these parcels within the Venice Beach BID by reducing crime, litter and debris and increasing the safety and attractiveness of residential rental units within the BID and the nearby array of tourist related goods, services and activities, all considered necessary in a competitive properly managed tourist-based business district.

Please let me know if you'd like to discuss this further.

Warmest regards,

TARA DEVINE
DEVINE STRATEGIES
645 West Ninth St.,#110-293
Los Angeles, CA 90015
310.430.5121
tara@devine-strategies.com

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[Quoted text hidden]

William Kuel <exnihilo65@verizon.net>
To: Tara Devine <tara@devine-strategies.com>

Thu, Aug 11, 2016 at 12:10 PM

Cc: Rita Moreno <rita.moreno@lacity.org>, Shannon Hoppes <shannon.hoppes@lacity.org>, Debbie DyerHarris <debbie.dyerharris@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Holly Wolcott <holly.wolcott@lacity.org>

Thanks for your follow up, Tara, we appreciate it.

I understand that we will receive a "special benefit" under the engineer's definition; however, no more so than all the other completely-residential properties in the BID zone surrounding us that will be exempt because they are lucky enough to be zoned R1, including the numerous apartment units being run as short-term rentals in contravention of the spirit, if not law, of LA's rent control laws.

Simply put, the laws, propositions and bureaucratic rules we face being zoned C4 put us in a uniquely disadvantaged position as for as the Venice BID is concerned. We find this completely unfair, particularly as there is no apparent mechanism to appeal our particular situation before any governmental or regulatory agency.

We are not eligible for the "Just and Reasonable Rent Adjustment Program" and cannot afford to seek historic designation given the massive cost it would entail to restore our fourplex back to 1910 (not to mention the likely drop in market value we would face with such a designation).

We've begun to look into seeking a zone change to residential, but as we're not developers, the process appears extremely onerous and has no guarantee of success. If you know of anyone we could consult with to find out if this is at all a viable option, we would be much obliged. We don't want to beat our heads against the wall and spend all kinds of time and money if this isn't a realistic possibility.

Thank you,
William & Laura Kuel.
[Quoted text hidden]

Debbie DyerHarris <debbie.dyerharris@lacity.org>

Thu, Aug 11, 2016 at 12:22 PM

To: William Kuel <exnihilo65@verizon.net>, Ezra Gale <ezra.gale@lacity.org>
Cc: Tara Devine <tara@devine-strategies.com>, Rita Moreno <rita.moreno@lacity.org>, Shannon Hoppes <shannon.hoppes@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Holly Wolcott <holly.wolcott@lacity.org>

Hello William, if you would like to discuss a possible zone change, I'd recommend speaking with Ezra Gale, my office's Senior Planner. He is very familiar with the process and the Venice area, and can help answer some questions. I have copied him here if you would like to reach out.

Debbie

[Quoted text hidden]

--



Debbie Dyer Harris
District Director
Councilmember Mike Bonin
City of Los Angeles
310-575-8461 | www.11thdistrict.com



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Tara Devine <tara@devine-strategies.com>

Fri, Aug 12, 2016 at 3:35 PM

To: Debbie DyerHarris <debbie.dyerharris@lacity.org>

Cc: Holly Wolcott <holly.wolcott@lacity.org>, "Hoppes, Shannon" <shannon.hoppes@lacity.org>, Ezra Gale <ezra.gale@lacity.org>, Miranda Paster <miranda.paster@lacity.org>, Rita Moreno <rita.moreno@lacity.org>, William Kuel <exnihilo65@verizon.net>

Bill:

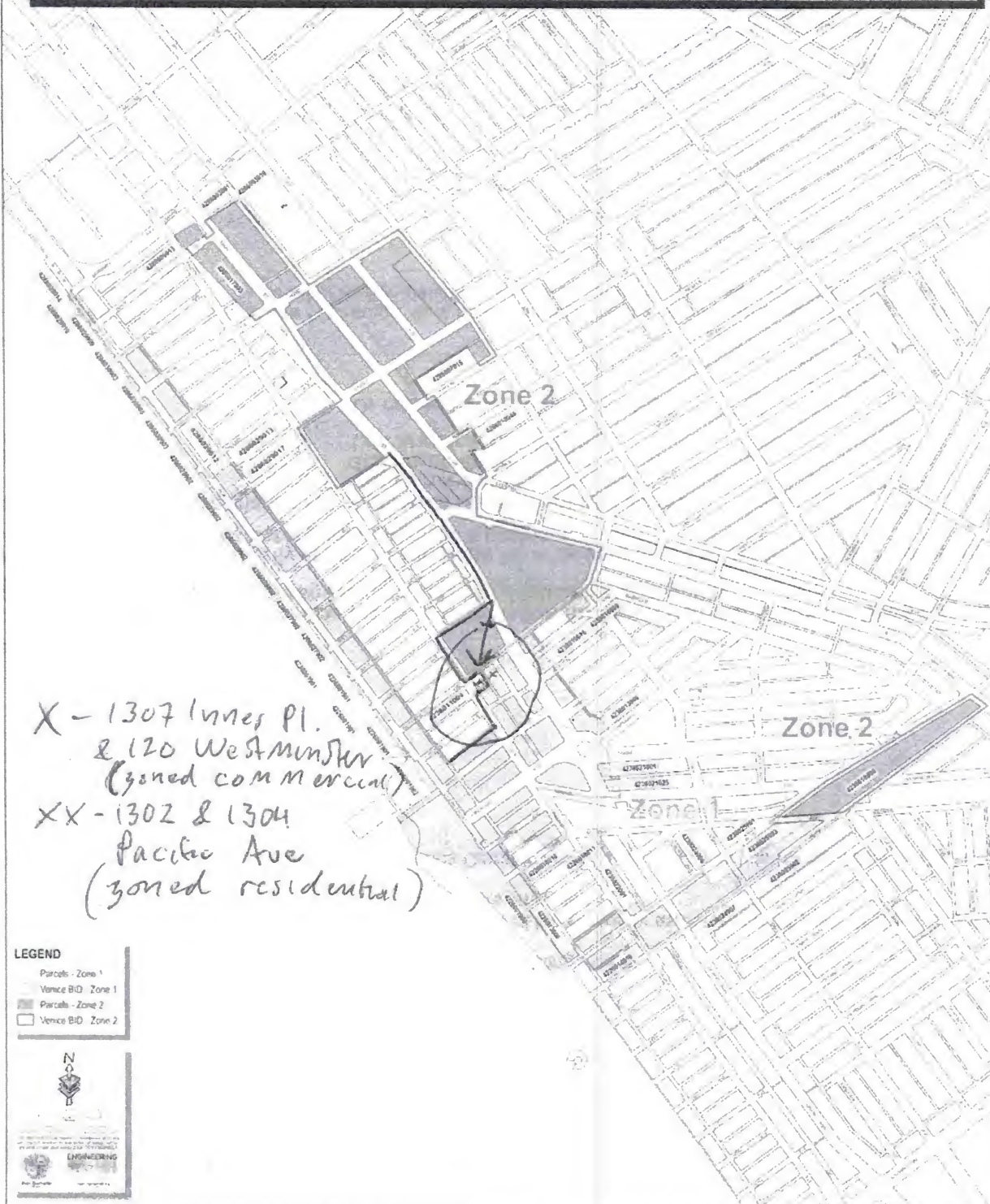
I would second Debbie's suggestion to contact their planning deputy, who may also be able to contact you with the right folks at City Planning for your area. That's a great place to start for information (and it's free :)

Warmest regards,
Tara

[Quoted text hidden]

Proposed Venice Beach BID

City of Los Angeles



July 14, 2016

Holly Wolcott, City Clerk
200 N. Spring St., Room 360
Los Angeles, CA 90012

RE: Venice BID & 1307 Innes Place, Venice, CA 90291; APN: 4238011022

Dear Ms. Wolcott,

Upon the advice of Tara Devine of Devine Strategies, this letter is addressed to you with copies sent to The Honorable Mike Bonin, Debbie Dynner-Harris, and Miranda Paster.

We are writing because of the proposed Venice BID and the adverse impact it will have on our property. Based upon the state and city laws that Ms. Devine has cited us, the inclusion of our property, along with the adjacent property at 120 Westminster (and many others, we're sure) strikes us as arbitrary and inherently unfair.

While the concept of a Venice BID is sound in principal, and apparently effective in other parts of Los Angeles and the rest of the country, it's application would place undue hardship on our ability to continue offering residential rentals. We have owned, lived in and managed a small fourplex, under rent control, in Venice for the past 20 years and, at present, lease out two of the units—both at below market rent.

The BID incorporates all commercial, industrial, and government-zoned parcels, but exempts all residential-zoned parcels except R4 and R5 (of which the Venice BID area has none, according to Ms. Devine). It is our misfortune that our parcel is, for whatever reason, zoned C4. The apartment building on our lot was built by Abbot Kinney in 1910 and has always, and only, operated as four small one-bedroom apartments. The larger multi-unit building next door at 120 Westminster has over a dozen units and is of similar age and always been used for residential purposes, but is zoned commercial as well.

Directly across the back alleyway (Park Row) from both buildings, there are two other multi-unit apartment buildings at 1302 & 1304 Pacific Ave., each with 7 or more units (we believe), but they are zoned residential. If you look at the enclosed proposed Venice BID map, you can see how they are exempted by a carved-out, zig-zag U-shape in our immediate area. Meanwhile, all the other parcels between Speedway and Pacific (all the way to Main on the other side of the Westminster dog park, including all the rest of Innes Place going northwest) are zoned residential and are exempt. Many of these properties are multi-unit rentals operated by absentee owners and/or professional management companies.

The proposed BID assesses our parcel not only on street frontage, but also on the alleyway, for a total of just under \$2,200 per annum. This represents a full 42% increase in our property taxes from 2014-15. Given the age of our fourplex, we are already hard-pressed financially to maintain the property in sound condition (which we do and will continue to, regardless). Also, in the interests of attracting and maintaining good long-term tenants, we have consistently offered the rental units at below market rents and do not raise the rents every 12 months, as we're allowed to under rent control. We occupy the other 2 units as our home.

At the same time, other multi-units in the area, including at least one of the aforementioned exempt buildings on Pacific, are running illegal Air BnB-type short-term rentals (this is another issue in itself, as many of their guests often party loudly late into the night, vomiting and urinating off the balconies). At least two of the originators of the BID proposal are being sued by the city for running illegal hotels. Their properties are not exempt, but if they were converted back to apartment buildings they would face larger tax bills, making it harder to offer affordable units. In any event, they are large beachside properties that I'm sure would command top rents. If you are interested in maintaining any semblance of affordable rental housing in Venice, you may wish to consider the impact of the BID on the small mom & pop residential operations such as ours that are included in the BID. Our current and future tenants will most likely have to share some or all of the brunt of the BID in terms of their monthly rent.

Our real dilemma is that there is apparently no redress under current state and city law to address our particular situation. I quote Ms. Devine:

"Here's what I do know:

- Regardless of whose decision it is, the City does not allow LA BIDs to include R-zoned properties within BID boundaries unless they are R4 or R5. (NOTE: There is currently no R4 or R5 within the area of the Venice BID; Venice may not even have any R4 or R5.)
- I have been told that R4 and R5 are eligible to be included and assessed because those zones allow mixed-use in LA (most commonly, this = residential over commercial.)
- Other cities in California interpret the state law differently.
- California BIDs are governed by the Property and Business Improvement District Act of 1994 (California Streets and Highways Code Section 36000 et seq.) (sic). The residential issue is (sic) in Section 36632(c), which states:

'Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.'

- No further reasoning or guidance is given in the statute (so as with many laws, we are left open to interpretations.)

P.S. Note that ZONING is the determinant and not use. This is per state law, and no city in CA can abridge this without being in violation of state law. I suspect that your issue will circle back to this point."

We could stomach the assessment much easier if all properties in the proposed BID, meaning ALL multi-unit residential-zoned parcels, were included, but as such, we feel singled-out to have to, in effect, subsidize all these other exempt residential properties with the substantially higher property taxes we will face.

We would greatly appreciate any suggestions on options we may have, including seeking a zoning-change, if necessary. Other than the fact that our parcel is relatively close to the center of Venice near Windward Circle, where "downtown" Venice is or used to be, we don't know why our residential property was zoned C4 to begin with.

Thank you for your time and consideration.

Sincerely,

William & Laura Kuel

cc: The Honorable Mike Bonin; Debbie Dyner-Harris; Miranda Paster; Andrew Sanesi; Tara Devine

